



State of North Carolina Office of the State Controller

James B. Hunt, Jr.
Governor

Edward Renfrow
State Controller

April 1, 1998

MEMORANDUM No. SAD 98-42

TO: Vice Chancellors

FROM: Edward Renfrow
State Controller

Don Waugh
Assistant State Controller

SUBJECT: Year-End Close Package for June 30, 1998

Attached is the June 30, 1998 University Year-End Activity Check List to be used during the upcoming accrual year-end activities. The Year-End Close package, the NCAS Information Guide, and the Smartstream Decision Support System should be sufficient to guide the universities through the accrual year-end process.

Also attached are the 6/30/98 pro forma financial statements, footnote worksheets, and the formats for the certification and letters. All of the above items represent the required year-end financial package (**one copy**) to be submitted to the Office of the State Controller by **August 31, 1998** per G.S. 143-20.1. NCAS financial statements, Statement of Current Funds Revenues, Expenditures, and Transfers worksheet, and footnote worksheets will serve as meeting G.S. 143-20.1 requiring all state agencies and universities to prepare GAAP financial statements within sixty days from the end of the fiscal year.

The federal reporting package is included as an attachment with this year-end close package. Please submit the federal package separately to the Office of the State Controller by August 31, 1998.

The Revenue bond schedules and formal footnotes (footnotes in narrative form) represent the remaining required year-end financial package that must be submitted to the Office of the State Controller by September 30, 1998. University published financial statements are due to OSC by December 31, 1998.

April 1, 1998

Page 2

The NCAS financial statements will be delivered to the universities through the Smartstream Decision Support System (DSS) . All of the universities need to have DSS in place in order to view their NCAS financial statements. The university is not required to send the OSC a copy of these statements in their package, but are required to have the NCAS financial statements correct and complete when the package is submitted.

The NCAS financial statements delivered through DSS are:

Balance Sheet

CAFR 11U

Statement of Changes in Fund Equity

CAFR 55

The University Current Funds Worksheet is required in order for the OSC to create a statewide Statement of Current Funds Revenues, Expenditures and Transfers.

Required university financial schedules are:

Revenue Bond Funds - Balance Sheet

Revenue Bond Funds - Schedule of Changes in Fund Balance

Schedule of Federal Financial Assistance

In preparing the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina, the separate footnote disclosures from each university must be combined by the Office of the State Controller. To facilitate the footnote combining process, the Office of the State Controller is requesting that the universities provide footnote disclosure information in formats prescribed in the attached CAFR Footnote Worksheets. For those footnotes which do not apply to your university, indicate N/A on the appropriate worksheet. Formal footnotes (footnotes in narrative form) are also required and must be submitted to the Office of the State Controller by September 30, 1998.

The universities' timely completion of the accrual process, financial statements, and footnote worksheets will significantly improve the Office of the State Controller's ability to prepare the 1998 Comprehensive Annual Financial Report for the State of North Carolina.

The following summarizes the attachments included:

- (Attachment 1) University Year-End Activity Check List
- (Attachment 2) Certification and Letter Format
- (Attachment 3) CAFR Footnote Worksheets
- (Attachment 4) CAFR Deposit and Investments Footnote Worksheets
- (Attachment 5) Pro Forma Financial Statements
- (Attachment 6) CAFR Financial Worksheets
- (Attachment 7) Schedule of Expenditures of Federal Awards

If you have any questions regarding these year-end procedures, please contact your systems accountant at the Office of the State Controller. Your assistance and cooperation is most appreciated.

ER/DW/AWG

Attachments